ORIGINAL

FENNEMORE CRAIG, P.C.

3003 North Central Avenue, Suite 2600 Phoenix, Arizona 85012-2913 (602) 916-5000

2012 JUN -6 P 3: 41

Patrick J. Black Direct Phone: (602) 916-5400

Direct Fax: (602) 916-5600 pblack@fclaw.com

Mr. Steve Olea, Director

1200 W. Washington Street Phoenix, Arizona 85007

Utilities Division

GERP COMMISSION DÖCKET CONTROL

Law Offices

Phoenix (602) 916-5000 (520) 879-6800 Tucson

(520) 281-3480 Nogales

Las Vegas (702) 692-8000 (303) 291-3200 Denver

June 6, 2012

Arizona Corporation Commission DOCKETER

JUN 0 6 2012 .

DOCKETED BY

1-0000V-00-0106

Re:

Arizona Corporation Commission

Certificate of Environmental Compatibility (CEC) - Gila Bend Power

Partners, LLC: L-00000V-01-0109. Case No. 109

Decision Nos. 63762, 69177, 72188, 72189

Dear Mr. Olea:

I am writing on behalf of Gila Bend Power Partners, LLC ("Gila Bend") concerning the above-referenced Certificate of Environmental Compatibility ("CEC"), issued in Decision No. 63762 (June 12, 2001), and subsequently modified by Decision Nos. 69177, 72188 and 72189. As you might be aware, the CEC currently authorizes Gila Bend to site and construct a 500kV transmission line from the future Gila Bend Power Plant to the future Watermelon Switchyard by February 7, 2018.

As part of the authorization, the CEC states that the "routing, design, height and material composition of the 500kV and 230kV transmission line facilities will be testified to by Applicant's witness Walther at the April 5, 2001 hearing, and as depicted in Exhibit "A" attached hereto." While Gila Bend intends to fully comply with this requirement, it has been recently approached by Arizona Solar One, LLC ("ASO") with a request for an Encroachment Agreement, which is needed so that the company can construct and cross Gila Bend's existing easement south of Watermelon Road with a 230kV gen-tie transmission connecting to the 250 MW Solana generating facility.

In order to accommodate ASO, Gila Bend will have to span the area where its future 500kV line will intersect with the 230kV line being constructed by ASO to tie into Arizona Public Service Company's ("APS") existing Gila River substation. This will require the installation of at least two pole structures (one at each end of the span) that will be taller in height than depicted in Exhibit A to Decision No. 63762.

FENNEMORE CRAIG, P.C.

Mr. Steve Olea June 6, 2012 Page 2

Gila Bend does not believe that this modification in design warrants a "substantial change" that would require a modification to the CEC. Gila Bend's transmission line will be approximately nine (9) miles in length, most of it parallel with Watermelon Road to the north. There will be dozens of steel monopole structures designed to accommodate two 500kV circuits, so that it can be co-located with APS' existing Liberty to Gila Bend 230kV transmission line where they are coincident.

It is not Gila Bend's intent to delay construction of ASO's 230kV transmission line, and the parties have entered into the proper agreements to accommodate the encroachment by ASO over Gila Bend's existing right-of-way. However, it is of vital importance to Gila Bend that this accommodation to ASO – and requisite design change – is properly addressed with the Commission.

In the event that you or Commission Staff believe an amendment to Gila Bend's existing CEC is necessary, or would like more information before taking a position on the matter, please contact me at your earliest convenience and we can schedule a meeting. Thank you for your time and consideration in this matter.

Sincerely,

Patrick J. Black

c: Heather Kreager, Gila Bend Power Partners, LLC Timothy McMahon, Abengoa Solar, Inc. Linda Arnold, Pinnacle West Capital Corporation Thomas Campbell, Lewis & Roca, LLC Charles Hains, ACC Legal Division Docket Control

7021909.1/031253.0001